



United States Department of Agriculture  
Risk Management Agency

April 2005

## 2005 COMMODITY INSURANCE FACT SHEET

# Fresh Market Tomatoes

## Pennsylvania

### Crop Insured

Tomatoes transplanted and grown for harvest as **fresh market tomatoes** and subject to a packing contract executed by the acreage reporting date may be insurable. **Cherry, roma, or plum** type tomatoes are **not** insurable.

The policy **does not cover** any tomato acreage:

- Grown by anyone who has not grown fresh market tomatoes for commercial sale, or participated in the management of a fresh market tomato farming operation, in one of the three previous years;
- Where tomatoes, peppers, eggplant, or tobacco have been grown within the previous two years unless the soil was fumigated or nematicide was applied before planting the tomatoes;
- Grown for direct marketing;
- Inter-planted with another crop;
- Planted into an established grass or legume; or
- Directly seeded in the field.

### Counties Available

Fresh market tomatoes are insurable in Erie, Lackawanna, Luzerne, and Wyoming counties. Fresh market tomatoes in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

### Causes of Loss

Adverse weather conditions<sup>1</sup>  
Failure of irrigation water supply<sup>2</sup>  
Fire  
Insects<sup>3</sup>  
Plant disease<sup>3</sup>  
Wildlife

<sup>1</sup>Natural perils such as hail, frost, freeze, drought, and excess precipitation.

<sup>2</sup>If caused by an insured peril during the insurance period. <sup>3</sup>But not damage due to insufficient or improper application of control measures.

Note: Damage that occurs or becomes evident after the tomatoes are harvested will not be covered.

### Insurance Period

Coverage begins when the tomatoes are planted and ends at the earliest of: (1) total destruction of the tomatoes, (2) discontinuance of harvest, (3) the date harvest should have started on acreage not harvested, (4) 120 days after transplanting, (5) completion of harvest, (6) final adjustment of a loss, or (7) September 20, 2005.

### Important Dates

Sales Closing .....	March 15, 2005
Final Planting Date .....	June 20, 2005
Acreage Report Due.....	July 15, 2005

### Definitions

**Production Guarantee**— Number of 25-pound cartons guaranteed per acre determined by multiplying your average yield (based on your records) times the coverage level percentage you elect.

**Price Election**— The price used to calculate your premium or indemnity. Price elections are posted on the RMA website at:

<http://www3.rma.usda.gov/apps/pricesinquiry/>

### Reporting Requirements

**Acreage Report**— You must report to your agent all tomato acreage in the county, both insured and uninsured, to include the row width.

### Price Election

\$4.30 per ctn

## Duties in the Event of Damage or Loss

- (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period); and (3) leave representative samples intact for each field of the damaged unit.

## Coverage Levels and Premium Subsidies

Your guarantee depends on the coverage level you choose. Coverage level options range from 50 to 75 percent of your average yield and are subsidized as shown in the table below. As an example, an average yield of 600 cartons per acre results in a guarantee of 300 cartons per acre at the 50-percent coverage level. If you selected the 75-percent coverage level, your premium share would be 45 percent of the base premium:

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of \$100, regardless of the acreage.

## Price Elections

The production guarantee increases by stages at intervals to the full production guarantee of the fourth stage:

**Stage 1**—From planting until qualifying for stage 2.

The price used to establish the amount of any indemnity on such acreage is **50 percent** of your price election.

**Stage 2**—From earlier of stakes driven, one tie/pruning, or 30 days after planting, until stage 3. The price used to establish the amount of any indemnity on such acreage is **75 percent** of your price election.

**Stage 3**—From earlier of the end of stage 2 or 60 days after planting, until stage 4. The price used to establish the amount of any indemnity on harvested acreage is **90 percent** of your price election.

**Stage 4**—From the earlier of 75 days after planting, or the beginning of harvest. The price used to establish the amount of any indemnity on harvested acreage is **100 percent** of your price election.

## Production to Count

Production on which you are not paid a claim for loss is called production to count. This includes appraised production, marketed production (regardless of grade), and any harvested but unmarketed production that grades 85 percent or better U.S. No. 1 with a classification size of 6 x 7 (2 8/32 inch minimum diameter) or larger.

## Replanting Payment

A replanting payment may be allowed if the crop is damaged by an insurable cause of loss and the acreage to be replanted has sustained a loss in excess of 50 percent of the plant stand. The maximum amount of the replanting payment per acre will be 70 cartons multiplied by your price election.

## Loss Example

This example assumes average yield of 600 cartons per acre, 50-percent coverage level, and basic units.

600	Cartons average yield per acre (APH)
x .50	Coverage level percentage
300	Cartons per acre guarantee
- 100	Cartons actually produced per acre (production to count)
200	Cartons per acre loss
x \$4.30	Price election
\$860	Gross indemnity per acre
- \$42	Estimated premium
<b>\$818</b>	<b>Net indemnity per acre</b>

## Download Copies from the Web

Visit our online publications/fact sheets page at:  
<http://www.rma.usda.gov/pubs/#bfr>.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.